



Employee Lawsuits Happen— Stay Protected

Ask these three key questions
to ensure you're prepared

The employment decisions you make are imperative; however, even if you complete numerous interviews, conduct background checks, vet your staff, and build a winning team, you are susceptible to immense risks. One of the most significant: employment practices liability (EPL). And even if you are not found liable, an accusation can be detrimental to your business.

Employee lawsuits aren't just a risk for large corporations. Small and midsize businesses are just as likely to have an employment practices claim filed against them. In fact, the Equal Employment Opportunity Commission (EEOC) reported that 50% of the discrimination claims filed with the agency were against small and midsize companies.

The agritourism industry is no exception. With a workforce often spread out over multiple locations, extensive time traveling between jobs, and limited supervision, your operation is a potential hotbed of EPL lawsuits ranging from sexual harassment to retaliation to wrongful termination. Even if you are innocent and the suit is unwarranted, you may still be left with thousands of dollars in legal fees or settlements.

Planning and preparation is key. Begin by asking some very important questions:

Am I in compliance?

With extensive federal and state regulations including, the Fair Labor Standards Act, the Americans with Disabilities Act, the Fair Credit Reporting Act, and other various regulations, your company is exposed to a vast variety of unforeseen employment liability.

Take the following steps to ensure you are in compliance:

1. **Ask your HR department (or a proven HR consultant) to formalize your employment policies and practices.**
2. **Engage legal experts to ensure you're in full compliance.**

Is my staff in the know?

Companies that provide training see a dramatic drop in EPL claims. Take the following steps to help your staff:

1. **Be proactive in educating your staff on hot-button issues like harassment and discrimination.**
2. **Ensure that your supervisors and managers receive regular training on how to handle potential issues in the field.**

In addition to reducing your vulnerability to lawsuits, a strong training regimen also demonstrates your company's commitment to workplace fairness should a claim occur.

Am I covered?

A strong employment practices liability insurance (EPLI) policy can be a great asset for your organization.

Here's why:

1. **You may receive an unfavorable judgment.**
2. **The cost of going to court can spiral out of control.**
3. **It's designed to ensure that your business is shielded from outstanding costs no matter the outcome of the verdict.**
4. **EPLI provides a powerful layer of protection for employers against claims resulting from a broad range of lawsuits, reimbursing the insured for legal defense costs, judgments, and settlements.**
5. **It covers your directors, officers, and management, so they can handle their high-level responsibilities with confidence in an increasingly litigious world.**

Remember that it takes an experienced insurance partner and agritourism industry expert to craft the ideal coverage. An experienced partner will help to minimize the impact of deductibles and exclusions, and maximize coverage provisions. EPL claims are costly and common, but they don't need to hamper your operations. You need the right plan and the right coverage.

Endorsed by



About NAFDMA Insurance

NAFDMA Insurance is the endorsed insurance program of the North American Farmers' Direct Marketing Association. Created by Alliant Insurance Services, Inc., it is designed to meet

EPLI for the NAFDMA

The NAFDMA Insurance Program provides the necessary coverage in case a farmer's market or on-farm retail business has a claim. An essential part of that coverage is EPLI.

EPLI protects your business against a variety of employee lawsuits, including claims arising from:

- Sexual harassment
- Discrimination
- Deprivation of career opportunity
- Wrongful discipline
- Wrongful termination
- Breach of employment contract
- Negligent evaluation
- Mismanagement of employee benefit plans
- Failure to employ or promote
- Wrongful infliction of emotional distress
- Wage and hour (Fair Labor Standards Act) violations

the insurance needs of entrepreneurial farm families. NAFDMA Insurance is the only program custom-built to address the unique risks of the agritourism industry, opening the door to a wealth of benefits, including lower rates, broad coverage, and enhanced convenience. Because of the customized nature of the program and the strength of Alliant, the majority of NAFDMA members can save significantly on insurance costs while broadening their coverage upon switching to NAFDMA Insurance.

About Alliant Insurance Services

Alliant Insurance Services is one of the nation's leading and fastest growing distributors of diversified insurance products and services. In the face of

increasing complexity, our approach is simple: bring on the best people and invest more deeply in the industries and clients we serve. We operate through a network of specialized national platforms and regional offices to offer a comprehensive portfolio of services to our clients. Our goal is to ensure that they get the most innovative products—and innovative thinking—in the industry.

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